

public buildings outside the District of Columbia, co-operation between the Administrator of General Services and the Postmaster General, and equitable distribution of projects. See section 601 et seq. of this title.

Section 353, act June 16, 1949, ch. 218, title I, § 102, 63 Stat. 176, stated Congressional declaration of purpose for equitable distribution of selected projects.

Section 354, act June 16, 1949, ch. 218, title I, § 103, 63 Stat. 176, authorized appropriations for carrying out the purposes of sections 352 and 353 of this title.

SAVINGS PROVISION

Sections repealed except as to their application to any project referred to in section 613 of this title, see section 17 of Pub. L. 86-249, set out as a note under section 341 of this title.

§ 355. Repealed. Pub. L. 87-466, May 31, 1962, 76 Stat. 87

Section, act June 16, 1949, ch. 218, title IV, § 409, 63 Stat. 200, required submission of a report to Congress concerning eligible public building projects.

§ 356. Lease purchase contracts

(a) Authority to procure space; terms; limitation on amount

Whenever the Administrator of General Services determines that (1) the needs for space for the permanent activities of the Federal Government in any particular area cannot be satisfied by utilization of any existing property suitable for the purpose then owned by the Government, and (2) the best interests of the United States will be served by taking action hereunder, he is authorized to obtain and provide space for the accommodation of activities of the Government in the several States, the District of Columbia, and the Territories and possessions of the United States (including Guam), except for the accommodation of activities of the United States Postal Service, by negotiating and entering into purchase contracts, the terms of which shall not be less than ten nor more than twenty-five years and which shall provide in each case that title to the property shall vest in the United States at or before the expiration of the contract term and upon fulfillment of the terms and conditions stipulated in each of such purchase contracts. Such terms and conditions shall include provision for the application to the purchase price agreed upon therein of installment payments made thereunder including provision for the exchange of surplus real property or real property which may become surplus as a result of such agreement, where the Administrator determines that the best interests of the Government in economy and efficiency of operation will be served. Every purchase contract entered into pursuant to this title shall provide for equal annual payments for the amortization of principal with interest thereon and the Administrator shall not enter into any such contract unless the amount of the annual payment required by such contract plus the aggregate of the annual payments required by all other purchase contracts entered into during the same fiscal year do not exceed the specific limitations on such payments which shall be provided in appropriation acts: *Provided*, That prior to July 1, 1955, a limitation of not to exceed \$5,000,000 is established for such purpose.

(b) Utilization of existing property

The Administrator of General Services is authorized to exercise the powers granted in this section with respect to existing properties, including those for which conversions, additions, extensions, or remodeling may be required, and properties upon which construction is to be subsequently effected in pursuance of the terms of applicable purchase contracts.

(c) Agreements to effectuate purposes; development and improvement of land

The Administrator of General Services is authorized to enter into agreements with any person, copartnership, corporation, or other public or private entity, to effectuate any of the purposes of this section; and is further authorized to bring about the development and improvement of any land owned by the United States and under the control of the General Services Administration including the demolition of obsolete and outmoded structures situated thereon, by providing for the construction thereon by others of such structures and facilities as shall be the subject of the applicable purchase contracts.

(d) Contract provisions; limitations on amount of payments

Each such purchase contract shall include such provisions as the Administrator of General Services, in his discretion, shall deem to be in the best interests of the United States and appropriate to secure the performance of the obligations imposed upon the party or parties that shall enter into such agreement with the United States: *Provided*, That no such agreement may provide for the payment by the United States in pursuance of the terms thereof of moneys in an aggregate annual amount in excess of 15 per centum of the appraised fair market value of the property at the date of the purchase contract, or in the case of property where construction shall not have been completed at that date in excess of 15 per centum of the fair market value at the date of completion of such construction. No such purchase contract shall provide for any payments to be made by the United States in excess of the amount necessary, as determined by the Administrator, to—

(1) amortize—

(A) the cost of improvements to be constructed plus the fair market value, on the date of the agreement, of the site, if owned or acquired by the contractor; or

(B) the fair market value, on the date of the agreement, of completed improvements together with the site thereof; or

(C) a combination of the foregoing in the case of existing improvements to be remodeled by the contractor; and

(2) provide a reasonable rate of interest on the outstanding principal as determined under (1) above; and

(3) reimburse the contractor for the cost of any other obligations assumed by him under the contract, including (but not limited to) payment of taxes, costs of carrying appropriate insurance, and costs of repair and maintenance if so assumed by the contractor.

(e) Omitted**(f) Utilization of funds for payments; conditions**

Funds now or hereafter available for the payment of rent and related charges for premises, whether appropriated directly to the General Services Administration or to any other agency of the Government and received by said Administration for such purpose, may be utilized by the Administrator of General Services to make payments becoming due from time to time from the United States as current charges in connection with agreements entered into under authority of this section: *Provided*, That no such funds may be expended for acquisition of title to the property covered by any such agreement prior to the expiration of the contract term specified therein (whether by exercise of option to purchase or otherwise) in the absence of specific appropriations of funds for such acquisition, which appropriations are authorized: *Provided further*, That the value of any Government real property to be exchanged under any such agreement may be credited at the time of exchange to the payments to be made by the United States thereunder: *Provided further*, That Government real property to be exchanged may be credited in whole or in part to the purchase price of the property for which it is exchanged, except that where the amount of the credit for the real property to be exchanged exceeds the amount of the purchase price, the amount of the remaining proceeds shall, except as provided in section 2003 of title 39, be covered into the miscellaneous receipts of the Treasury of the United States.

(g) Postal purposes

When requested by the United States Postal Service, the Administrator of General Services is authorized to exercise the authority vested in him by this section (1) to acquire property for postal purposes, or (2) to provide space for postal purposes in buildings acquired under this section for other purposes.

(h) State and local taxes

With respect to any interest in real property acquired under the provisions of this section, the same shall be subject to State and local taxes until title to the same shall pass to the Government of the United States.

(i) Separability

If any provision of this section or the application thereof to any person or circumstance is held invalid, the remainder of this section and the application thereof to other persons or circumstances shall not be affected thereby.

(j) Applicability of other sections

(1) Section 252(c)¹ of title 41 and section 255 of this title shall apply to purchase contract agreements entered into under this section, except that any such agreement may be entered into and placed in effect after request for but prior to receipt of an opinion of the Attorney General with respect to the validity of title to the property described therein.

(2) Except as provided by paragraph (1) of this subsection, sections 34, 37a,¹ 259,¹ 267¹ and 304c of

this title; and sections 12 and 14 of title 41; and any other provision of law (except applicable labor standards provisions) relating to the acquisition of real property, construction of buildings, or leasing of space, shall not apply to purchase contract agreements executed under this section.

(June 16, 1949, ch. 218, title IV, §411, as added July 22, 1954, ch. 560, title I, §101, 68 Stat. 518; amended July 9, 1956, ch. 525, §1, 70 Stat. 510; Aug. 12, 1970, Pub. L. 91-375, §§4(a), 6(m)(1), (o), 84 Stat. 773, 782, 783.)

REFERENCES IN TEXT

This title, referred to in subsec. (a), means title IV of act June 16, 1949, ch. 218, which enacted sections 37a, 298, 298a, 298b, 298c, 298d, 355, 356, and 356a of this title, and amended section 345 of this title. Sections 37a, 298, 298c, 345, and 355 of this title have since been repealed.

Subsection (c) of section 252 of title 41, referred to in subsec. (j), was struck out by section 2714(a)(1)(B) of Pub. L. 98-369 and provisions formerly contained in subsection (e) were restated in subsection (c)(1) of section 252 of Title 41, Public Contracts.

Section 37a of this title, referred to in subsec. (j)(2), was repealed by Pub. L. 85-493, §2, July 2, 1958, 72 Stat. 294.

Sections 259 and 267 of this title, referred to in subsec. (j)(2), were repealed by Pub. L. 86-249, §17(12), Sept. 9, 1959, 73 Stat. 485.

CODIFICATION

Provisions of subsec. (e) of this section required Congressional approval by the Committees on Public Works of the Senate and the House of Representatives of proposed purchase contract projects within three years after July 22, 1954 in order for such contract projects to be eligible for appropriations.

PRIOR PROVISIONS

A prior section 411 of act June 16, 1949, was renumbered section 413 and is set out as a note under section 298a of this title.

AMENDMENTS

1970—Subsec. (f). Pub. L. 91-375 substituted “section 2003 of title 39” for “section 205 of the Post Office Department Property Act of 1954”.

1956—Subsec. (e). Act July 9, 1956, struck out requirement for approval of purchase-contract agreements by Director of the Bureau of the Budget and inserted at end of subpar. 8, requirement that project statement by Director be based on budgetary and related considerations, and not deemed to constitute approval of specific terms of any proposed agreement or of selection of any particular contractor or lessor.

EFFECTIVE DATE OF 1970 AMENDMENT

Amendment by Pub. L. 91-375 effective within 1 year after Aug. 12, 1970, on date established therefor by the Board of Governors of the United States Postal Service and published by it in the Federal Register, see section 15(a) of Pub. L. 91-375, set out as an Effective Date note preceding section 101 of Title 39, Postal Service.

SHORT TITLE

Section 103 of title I of act July 22, 1954, provided that: “This title [enacting this section and section 357 of this title] may be cited as the ‘Public Buildings Purchase Contract Act of 1954’.”

TRANSFER OF FUNCTIONS

In subsec. (a), “United States Postal Service” substituted for “Post Office Department”, and in subsec. (g), “United States Postal Service” substituted for “Postmaster General” pursuant to Pub. L. 91-375 which

¹ See References in Text note below.

abolished Post Office Department and office of Postmaster General of Post Office Department, transferred their functions to United States Postal Service, and provided that references in other laws to Post Office Department shall be considered a reference to United States Postal Service.

LIMITATION ON USE OF FUNDS FOR PAYMENT FOR SITES, PLANNING OR CONSTRUCTION OF BUILDINGS BY LEASE-PURCHASE CONTRACTS

Pub. L. 85-844, title I, §101, Aug. 28, 1958, 72 Stat. 1067, provided: "That hereafter, except for projects located at Atlanta, Georgia; Rock Island, Illinois; Council Bluffs, Iowa; Kansas City, Kansas; Burlington, Iowa; Albuquerque, New Mexico; Sacramento, California; Brunswick, Georgia; Sedan, Kansas; Jonesboro, Louisiana; Lake Charles, Louisiana; Redwood Falls, Minnesota; Biloxi, Mississippi; Greenville, Mississippi; Laurel, Mississippi; Omaha, Nebraska; Durham, New Hampshire; Manning, South Carolina; Sisseton, South Dakota; Kingsport, Tennessee; Gainesville, Texas; McKinney, Texas; Huntington, West Virginia; Green Bay, Wisconsin; Marshfield, Missouri; Terrell, Texas; Mount Hope, West Virginia; Benton, Illinois; Burlington, Vermont; St. Marys, Ohio; West Memphis, Arkansas; Newkirk, Oklahoma; Point Pleasant, New Jersey; and Denver, Colorado; no part of any funds in this or any other Act shall be used for payment for sites, planning or construction of any buildings by lease-purchase contracts."

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 356a, 357 of this title.

§ 356a. Exercise of lease purchase contract authority

(a) Southwestern portion of District of Columbia; conformance to Redevelopment Act; terms of contracts

In exercising the authority contained in section 356 of this title within the southwestern portion of the District of Columbia, the Administrator of General Services shall conform to the plan for redevelopment of that area pursuant to the District of Columbia Redevelopment Act of 1945 [D.C. Code, §5-801 et seq.]. Purchase contract agreements for this area shall be for terms of not less than ten years nor more than thirty years.

(b) Authority to exchange lands

The Administrator of General Services is authorized to transfer lands of the United States under his control needed by the District of Columbia Redevelopment Land Agency to said Agency within the southwestern portion of the District of Columbia, and in consideration therefor, to accept from said Agency other lands and interests of equivalent value within the same area.

(c) Demolition of temporary buildings

Whenever the Administrator of General Services initially occupies a building in the southwestern portion of the District of Columbia pursuant to a purchase contract agreement, he shall thereupon cause to be demolished temporary Government building space in the District of Columbia of equivalent occupancy.

(d) Authority to negotiate purchase contracts

In exercising the authority contained in section 356 of this title within the southwestern portion of the District of Columbia, the Admin-

istrator of General Services is authorized, pursuant to section 302(c)(14)¹ of the Federal Property and Administrative Services Act of 1949, as amended [41 U.S.C. 252(c)(14)], to negotiate purchase contracts, in accordance with title III of such Act [41 U.S.C. 251 et seq.]. In negotiating such contracts, the Administrator shall take all practicable steps to insure competition among prospective contractors.

(June 16, 1949, ch. 218, title IV, §412, as added July 12, 1955, ch. 331, 69 Stat. 297.)

REFERENCES IN TEXT

The District of Columbia Redevelopment Act of 1945, referred to in subsec. (a), is act Aug. 2, 1946, ch. 736, 60 Stat. 790, as amended, which appears in chapter 8 (§5-801 et seq.) of Title 5, Building Restrictions and Regulations, of the District of Columbia Code.

Subsection (c) of section 302 of the Federal Property and Administrative Services Act of 1949, referred to in subsec. (d), was struck out by section 2714(a)(1)(B) of Pub. L. 98-369 and provisions formerly contained in subsection (e) were restated in subsection (c)(1) of section 302 of the 1949 Act.

The Federal Property and Administrative Services Act of 1949, as amended, referred to in subsec. (d), is act June 30, 1949, ch. 288, 63 Stat. 377, as amended. Title III of the Federal Property and Administrative Services Act of 1949 is classified generally to subchapter IV (§251 et seq.) of chapter 4 of Title 41, Public Contracts. For complete classification of this Act to the Code, see Short Title note set out under section 471 of this title and Tables.

CODIFICATION

Provisions of subsecs. (e) and (f) of this section, relating to the five year time limitation from July 22, 1954 for Congressional approval of purchase contract projects within the southwestern portion of the District of Columbia and the required publication in the Federal Register of the prospectus for such a project at the time of submission for Congressional approval, respectively have been omitted.

PRIOR PROVISIONS

A prior section 412 of act June 16, 1949, was renumbered section 413 and is set out as a note under section 298a of this title.

TRANSFER OF FUNCTIONS

For transfer of powers, duties, and functions of District of Columbia Land Redevelopment Agency, as set forth in section 5-801 et seq. of the District of Columbia Code, to Director of Department of Housing and Community Development, with certain exceptions, see part 4 of Reorg. Plan No. 3 of 1975, eff. July 3, 1975, 21 DCR 2793, set out in the first volume of the District of Columbia Code.

§ 357. Effect on Federal construction programs

It is not the intention of the Congress that the program authorized by section 356 of this title shall constitute a substitute for or a replacement of any program for the construction by the United States of such structures as may be required from time to time by the Federal Government.

(July 22, 1954, ch. 560, title I, §102, 68 Stat. 521.)

¹ See References in Text note below.